Introduction to The Climate Registry: Voluntary GHG Reporting for North America

The Climate Registry

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Agenda

- Who/What is the Registry?
- How do I report to the Registry
- What are the benefits of reporting to the Registry?
- How does the Registry compare to other programs?
- Why do I have to verify my reports?
- What does verification involve?
- How do I sign up?



Who/What is The Climate Registry?

GOAL: To create a platform for credible, highly

transparent, and comprehensive GHG

emissions reporting in North America

MEMBERS: 39 States, 3 Indian tribes,

4 Canadian Provinces

2 Mexican states

REPORTERS: 70 Reporters (to date)





Who/What is The Climate Registry?

2006: over 20 US states merged state/regional efforts

- California Climate Action Registry- established by statute in 2001
- Eastern Climate Registry/ Multi-State Registry- planning began in 1990s
- Midwest Registry- planning began in 2005

Today: TCR is a non-profit organization

- directed by board of commissioners/directors from member states
- supported by NESCAUM, CCAR and LADCO
- advised by group of industry, municipal and environmental organizations



Who/What is The Climate Registry?

Registry's Voluntary Reporting Program:

- General Reporting Protocol (GRP)
- General Verification Protocol (GVP)
- Climate Registry Information System (CRIS)

Planned Future Developments:

- Support of mandatory GHG programs
- Industry specific protocols
- Performance metrics for some sectors



The General Reporting Protocol is based on WRI/WBCSD's GHG Protocol and has adopted the core principles of:

- Relevance
- Completeness
- Consistency
- Transparency
- Accuracy



- 1. Define Your Entity
- 2. Define Your Geographic Boundaries
- 3. Determine What to Report
- 4. Inventory Your Emissions
- **5.** Create Public Report
- 6. Verify Your Emissions

Assuming no organizational changes, repeat steps 4-6 annually



Step 1: Define Your Entity

- Must be a legally-recognized entity
- Encouraged to report at highest level (parent company vs. subsidiary)
- Determine boundaries using consolidation methodology:
 - Equity-share and Control (financial or operational) -OR-
 - Control (financial or operational) and equity share investments



Step 2: Define Your Geographic Boundaries

- Must report all North American emissions
- May elect to become a transitional reporter for 2 years (report only CO2 for certain states/ provinces)
- May elect to report Worldwide emissions (total)



Step 3: Determine What to Report

- Report all six Kyoto-GHGs
- Report direct emissions
 (stationary combustion, mobile, process, fugitive)
- Report indirect emissions
 (purchased electricity, imported steam, cooling, heating)
- Report biogenic emission sources



Step 4: Inventory Your Emissions

- Enter raw data into software as prompted –ORuse internal emissions management system and upload
- Indicate tier used to calculate emissions from each source
 - Indirect emissions: Use power bill data & eGrid factors
 - Direct emissions: when possible, directly measure emissions
- Calculate the carbon dioxide equivalent for your emissions using IPCC global warming potentials (software will calculate)



Step 5: Create Public Report

Required: Report entity-wide emissions at the facility level

- Report by GHG
- Report by category: stationary combustion, mobile, process, fugitive

Optional: Report certain types of facilities in aggregate

- -retail facilities by state
- -fleet emissions by state or country

Optional: Scope 3 emissions, unit level data, worldwide

emissions

Step 6: Verify Your Emissions

- Emissions must be verified prior to final submission to the Registry
- Contract with an independent third-party verifier



Climate Registry Information System (CRIS)

- Reporters will have access to the Registry reporting software and technical assistance
- CRIS Demo

ftp://ftp.pqa.com/pub/The%20Climate%20Registry/



What is the benefit of reporting to the Registry?

(for States, Provinces and Tribes)

- Creates accounting infrastructure to support future state/ regional GHG reporting, tracking and trading programs
- Cost effective and collaborative- developing one program with multiple state resources more cost effective
- Strengthens state voice in establishing national standards
- Uniform reporting lessens state "ask" to companies



What is the benefit of reporting to the Registry? (for reporters)

- Establish management system for GHG emissions data
 - develop internal data collection and tracking system for entity-wide GHG emissions
 - access to reporting/ calculation software and technical support
 - educate employees
 - identify areas for cost-effective reductions of emissions and energy
- Prepare for state and federal mandatory programs
 - Document baseline emissions and early reductions
 - -Gain public recognition with transparent reporting of emissions
- Anticipate market opportunities



How does the Registry compare to other programs? (voluntary programs)

GHG REGISTRIES

- CA Climate Action Registry
- The Climate Registry

GHG REDUCTION PROGRAMS

- EPA Climate Leaders
- DOE 1605b/Climate Vision

TRADING PROGRAMS

Chicago ClimateExchange (CCX)

INVESTOR DISCLOSURE

- Global Reporting Initiative
- Carbon Disclosure Project
- SEC 10-K (Potentially)



How does the Registry compare to other programs?

(voluntary programs)

PROGRAM	Participants	Purpose	Reporting Level	Organizational Boundaries	Emissions Scope	Third-Party Verification
DOE 1605b	Varies: includes facilities and entities	Varies: some entity inventories, some reductions	Entity Level (starting 2007)	Choice of equity share, financial and/or operational control	Scope 1 (Indirect Optional)	Optional
EPA Climate Leaders	US Corporations	Corporate reduction goals	Entity Level	Determined by Participant	Scope 1 & 2; (Scope 3 Optional)	Optional
Chicago Climate Exchange	Varies: includes US and International companies	Emission reduction trading	Entity, Facility or Project Level	Equity Share	Scope 1 (Indirect Optional)	Required (Performed by NASD)
The Climate Registry	All Organizations	Entity-wide GHG registry for North America or Worldwide GHGs	Entity-wide at Facility Level	Choice of equity share, financial and/or operational control	Scope 1 & 2 (Scope 3 optional)	Required

How does the Registry compare to other programs? (future federal mandatory programs)

- Omnibus spending Bill gave EPA \$3.5 million to create mandatory federal GHG registry to support cap-and trade
 - Sen. Feinstein (CA) expressed intent for EPA to work with the Registry
- Lieberman-Warner Bill directs EPA to work with the Registry when creating GHG reporting platform for a cap-and-trade program



How does the Registry compare to other programs? (future state mandatory programs)

Many states with new or proposed mandatory GHG reporting interested in aligning protocols and software

- Mandatory data housed separately from voluntary data (capability to "push" data to voluntary database if reporter chooses to participate as voluntary reporter)
- Mandatory programs may have different reporting requirements than the voluntary Registry (e.g. Reporters will not report country-wide emissions)



Why do I have to verify my reports?

- Upholds Registry standards of completeness, accuracy, consistency and transparency
- Ensures compliance with GRP
- Provides confidence in reported data
- Increases likelihood that data will be recognized by future mandatory programs



Why do I have to verify my reports?

Accordance with International GHG Standards:

ISO 14064 is the international standard that defines GHG reporting and verification processes:

- ISO 14064-1: Entity-wide quantification & reporting
- ISO 14064-2: Emission reduction project quantification & reporting
- ISO 14064-3: GHG validation & verification guidance



What does verification involve?

- 1. Reporter selects a Verifier
- 2. Verifier conducts Core Verification Activities
 - Assesses conformance with GRP
 - Assesses completeness of emissions report
 - Performs risk assessment
 - Visits sample of sites
 - Verifies emissions calculations
- 3. Verifier completes documentation
 - Verification Opinion, Verification Report, Checklist
- 4. Registry reviews verified data and releases it to the public

What does verification involve? 3 Year Verification Cycle

- Year 1: Identify Facilities & Emission Sources, Review Management Systems, Verify Emission Calculations
- Year 2: Verify Emissions Calculations
- Year 3: Verify Emissions Calculations
- Year 4: Repeat Year 1
- Year 5: Verify Emissions Calculations
- Year 6: Verify Emissions Calculations
- Year 7: CHANGE VERIFICATION BODY

Verified emissions must be submitted to the Registry by 12/1 each year



What does verification involve?

Accreditation Proposal

- Registry will partner with 3rd party accreditation firm(s) to develop accreditation process
- Accreditation Body will administer accreditation
- Registry's Verification Oversight Panel will oversee verification process and resolve disputes
- Accreditation Guide will be complete in the Spring
 - Verifier Focus Group conference call in March, 2008



What does verification involve? Verification Oversight Panel

- Comprised of experts from state/ provincial governments,
 Registry staff, and external experts
- Verification Oversight Panel Roles:
 - Develop Registry qualifications, training beyond ISO 14065
 - Participate on Accreditation Assessment Committee
 - Observe Accreditation Body-led audits or site visits
 - Review and approve sanctioning decisions
 - Resolve disputes between Verification Bodies and Reporters
 - Receive regular reports from Accreditation Body and make recommendations for improvement of verification process



How do I sign up?

- Visit www.theclimateregistry.org
- Download Statement of Intent
- Sign and send
- Start reporting your emissions!!



Comments and Questions

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